Cerebra Integrated Technologies

Marching Towards Green Growth

Investor Presentation | November 2018

Safe Harbor

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Cerebra Integrated Technologies Limited (the “Company”) solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks.

The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

Agenda

01 Financial Highlights

02 Company Overview

03 E-Waste Business

04 Hardware & IT Services

Key Quarter Updates

- **Robust Financial Performance :**

  - ✓ Increase in ***Revenues, EBITDA & PAT by 72%, 27% & 36%*** respectively in Q2FY19 compared to Q2FY18

  - ✓ Increase in ***Revenues, EBITDA & PAT in 132% , 78%, & 100%*** respectively in H1FY19 compared to corresponding period in FY18

- **E-Waste Business Updates:**

  - ✓ E-Waste plant fully functional and collection facilities established in all major centers throughout the country **(Delhi, Mumbai, Pune, Chennai, Ahmedabad, Hyderabad and Bangalore)**

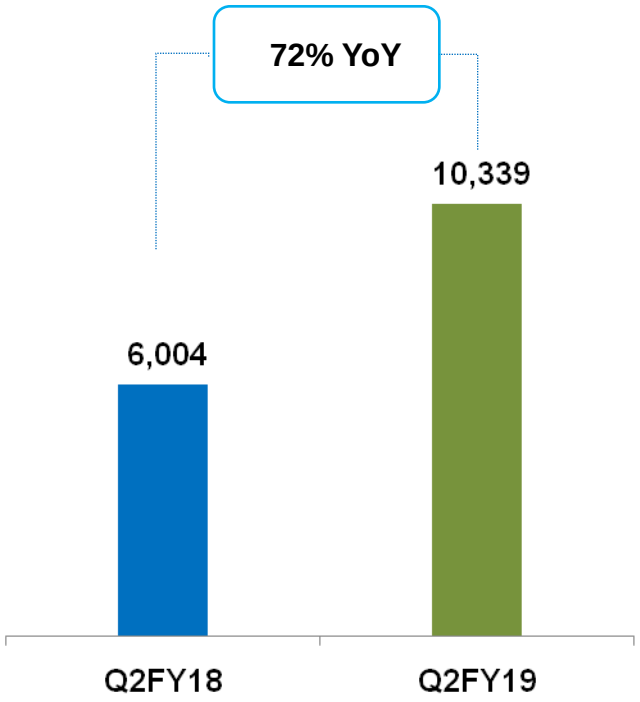
- **New Recycling Facility for White Goods Updates:**

  - ✓ Construction commenced on factory for handling white goods recycling - expected ***to be operational by December 2018***

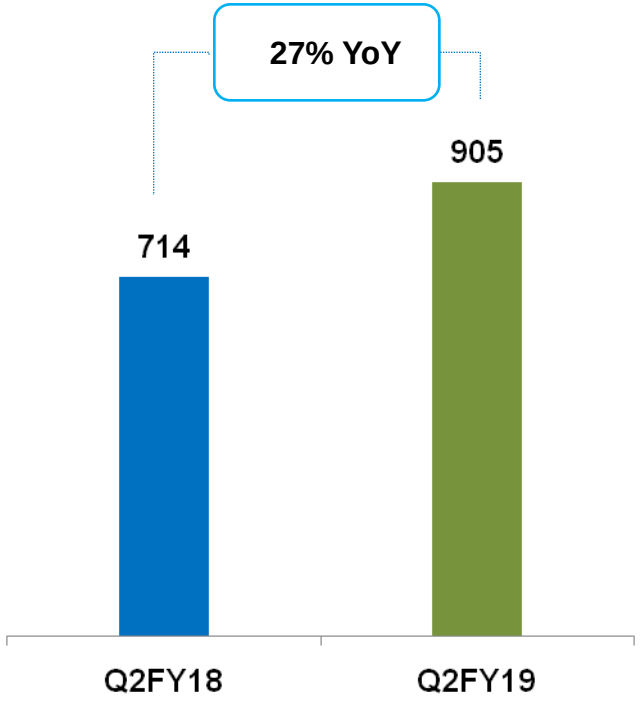
Q2 FY19 – Financial Highlights

Quarterly Performance Trend (Consolidated)

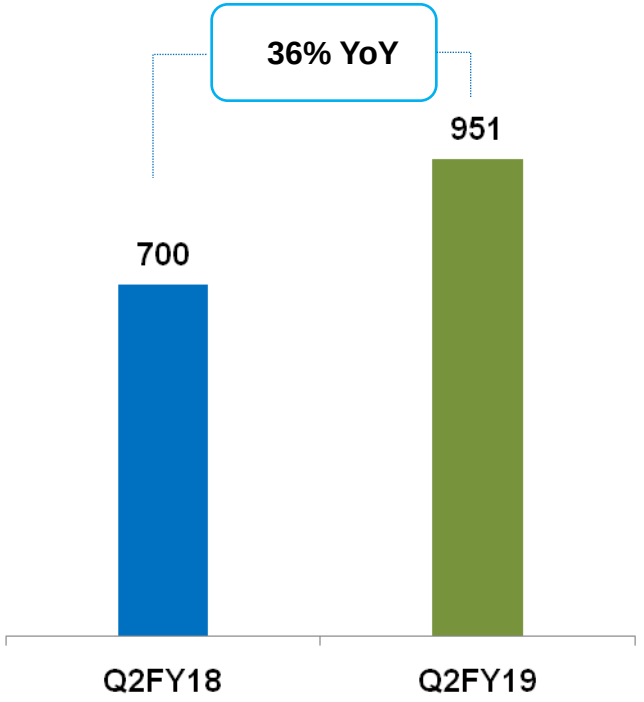
Revenue (Rs. Lakhs)



EBITDA (Rs. Lakhs)



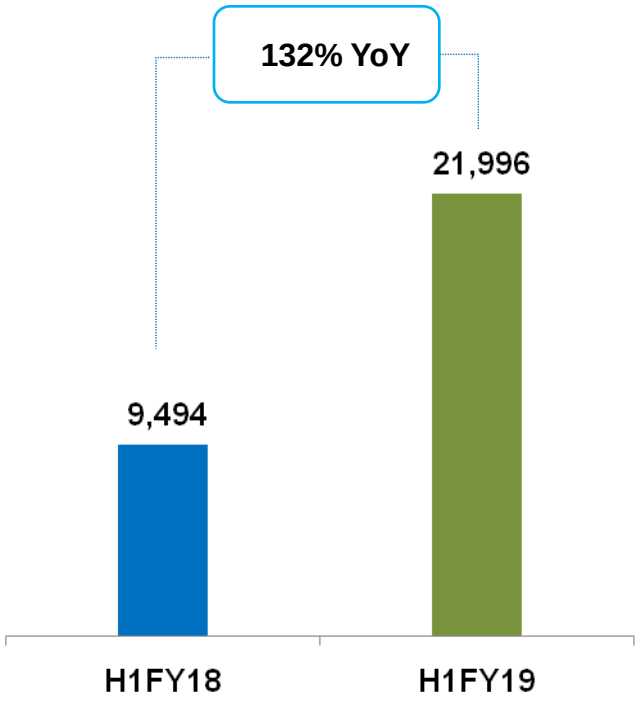
PAT (Rs. Lakhs)



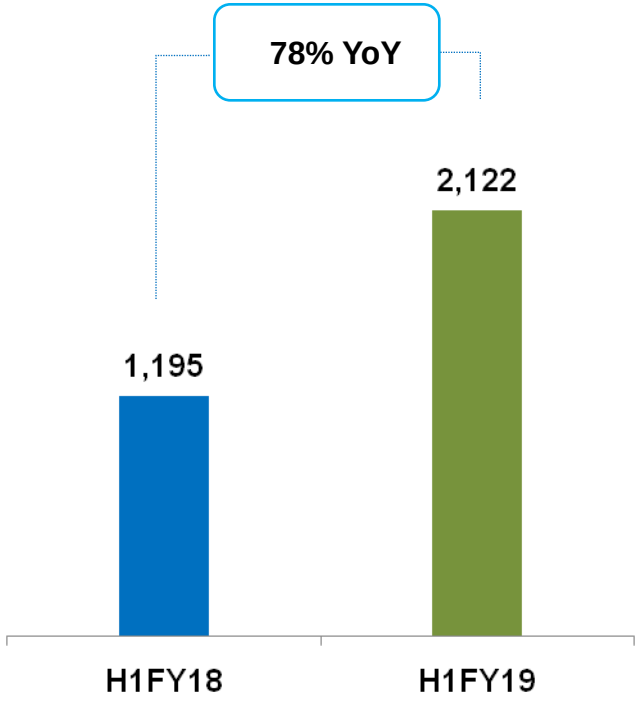
Figures have been regrouped or rearranged , wherever necessary

Half Yearly Performance Trend (Consolidated)

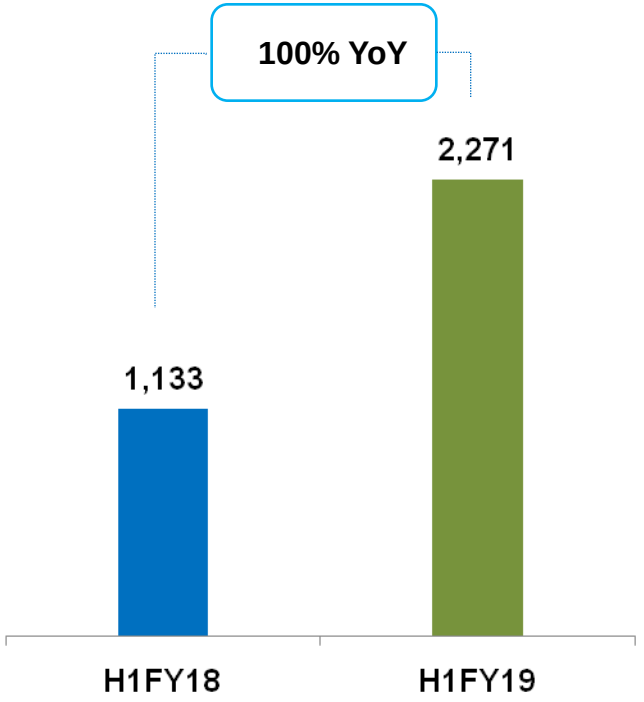
Revenue (Rs. Lakhs)



EBITDA (Rs. Lakhs)



PAT (Rs. Lakhs)



Figures have been regrouped or rearranged , wherever necessary

Profitability Highlights – Q2 & H1FY19 (Consolidated)

Rs. In Lakhs	Q2 FY19	Q2 FY18	YoY	H1FY19	H1FY18	YoY	FY18	FY17	FY16
Revenue from Operations	**10,339**	**6,004**	**72%**	**21,996**	**9,494**	**132%**	**31,430**	**25,048**	**23,805**
Raw Material*	8,832	4,764		18,945	7,130		24,618	21,831	21,759
Employee Cost	241	198		462	362		810	616	609
Other costs	361	328		467	807		1795	1275	1224
EBITDA	**905**	**714**	**27%**	**2,122**	**1,195**	**78%**	**4,208**	**1,325**	**213**
EBITDA Margin (%)	***8.75%***	***11.90%***		***9.65%***	***12.58%***		**13.39%**	**5.28%**	**0.89%**
Other Income	546	197		1071	209		183	149	388
Depreciation	8	8		17	12		30	17	51
Interest	40	41		85	65		171	147	253
Exceptional items	0	0		0	0		-	-	-100
Profit Before tax	**1,403**	**862**	**63%**	**3,091**	**1,326**	**133%**	**4,190**	**1,311**	**197**
Tax	452	161		820	193		733	96	33
Profit After Tax	**951**	**700**	**36%**	**2,271**	**1,133**	**100%**	**3,457**	**1,215**	**163**
PAT Margin	***9.19%***	***11.67%***		***10.32%***	***11.93%***		***11.00%***	***4.84%***	***0.69%***

***Raw material cost increased due to steep fall in INR compared to USD which impacted the margins**

Balance Sheet Highlights (Consolidated)

Rs. Lakhs	Sep-18	Mar-18
Shareholder's Funds	**29,388**	**26,037**
Share capital	12,040	12,040
Other Equity	17,348	13,998
Non-current liabilities	**176**	**136**
Borrowings	133	98
Other Financial Liabilities	-	-
Long-Term Provisions	43	38
Current liabilities	**15,409**	**10,165**
Borrowings	311	-
Trade Payables	13,322	9,041
Other Financial liabilities	176	314
Other Current Liabilities	195	161
Short-term provisions	24	26
Current Tax Liabilities (Net)	1,381	623
Total Equities & Liabilities	**44,973**	**36,339**

Rs. Lakhs	Sep-18	Mar-18
Non-current assets	**6,067**	**6,726**
Property Plant & Equipment	891	900
CWIP	5	-
Intangible Asset	7	-
Goodwill	156	-
Other Financial Assets	17	14
Investment	293	1,434
Long-term Loans & Advances	108	67
Deferred Tax Assets	2	2
Other Non-Current Assets	4,589	4,308
Current assets	**38,906**	**29,613**
Inventories	2,420	1,491
Financial Assets		
Bank Balances	591	537
Trade receivables	27,977	20,063
Cash & Cash equivalents	7,443	6,984
Short-term loans & Advances	55	68
Other Current Assets	421	470
Total Assets	**44,973**	**36,339**

Company Overview

Key Business Areas

E-Waste Management

Hardware

IT Services
(India & Middle East)

E-Waste – Sustainable Growth

E-Waste Generation – Ticking Time Bomb

01 Global

- Globally, estimated 50 million tonne of E-Waste to be generated in 2018
- Out of which only 20% of E-Waste recycled each year
- Rest either gets land filed, burned or illegally traded and treated in a sub-standard way

02 Domestic

- India is amongst the top 5 E-Waste generating countries in the world
- Expected to generate 3 million metric tonnes of E-Waste in 2018
- Only about 5% of E-Waste gets recycled

03 Opportunity

- By 2020, India will consume $400 Bn worth of Electronic goods
- Computer equipment account for 70%, telecom equipment-phones 12%, electrical equipment 8% & medical equipment 7% with remaining from household

04 EPR Regulation

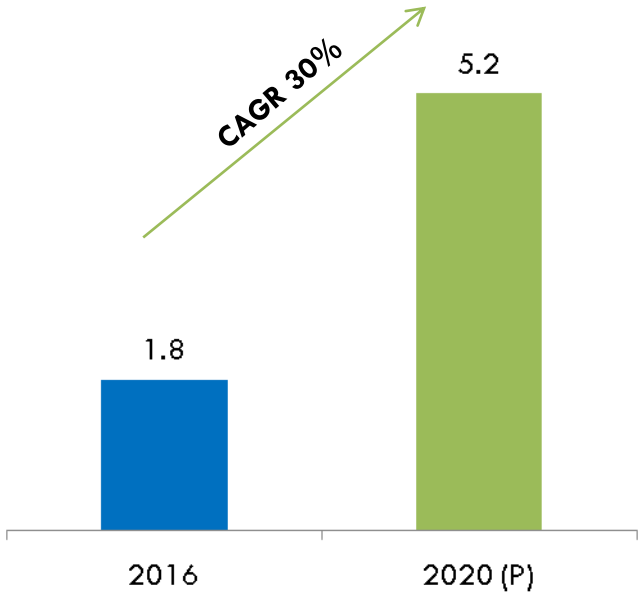
- Extended Producer Responsibility (EPR) mandated producers to register and have specified targets to collect back E-Waste generated
- In March 2018, targets reduced to 10% for 2016-17 (as against 20%) & progressively goes up to 70% in the seventh year

Source: Assocham, KPMG & UN reports

India's E-Waste Potential – A Large Opportunity

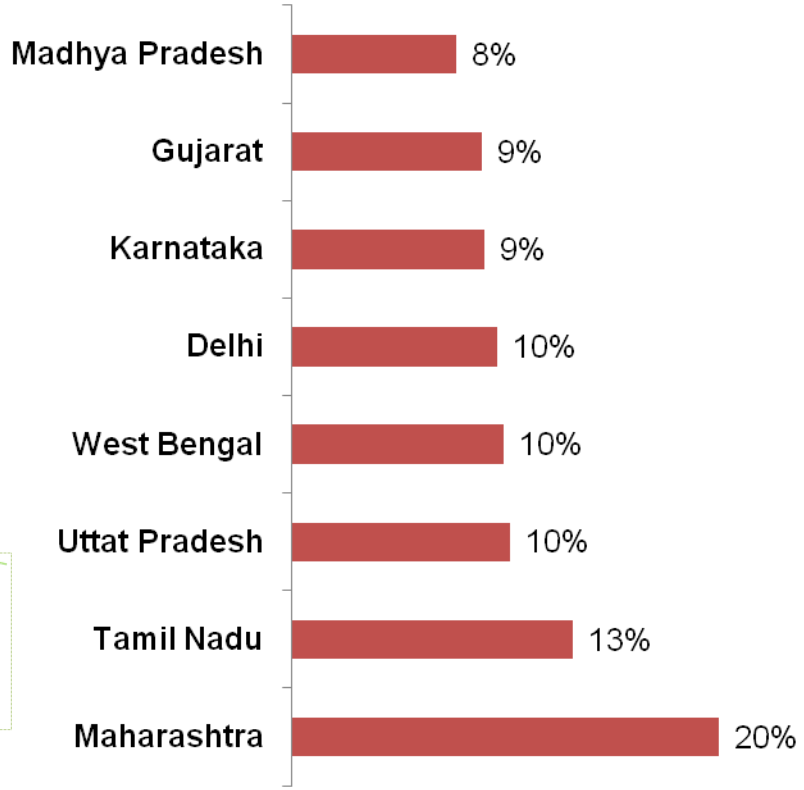
India is fifth largest electronic waste generators

Generation of E-Waste in India (Million Metric Tonnes) p.a



Source: ASSOCHAM-cKinetics study (June 2016)

State wise E-Waste generation



Source: ASSOCHAM-NEC

R2 2013 Responsible™ Recycling

CEREBRA Total I.T. Solutions
An ISO 9001 : 2015 Company

Current E-Waste Recycling in India

Current Scenario of E-Waste treatment in India

Currently **~ 99%** of E-Waste market in India is **un-organised**

Cerebra's way for E-Waste treatment

Pioneers in **organised** E-Waste recycling player

Current Hazardous E-Waste recycling practices in India Video Link

Strong E-Waste Collection

More 300+ Collection Centres across country

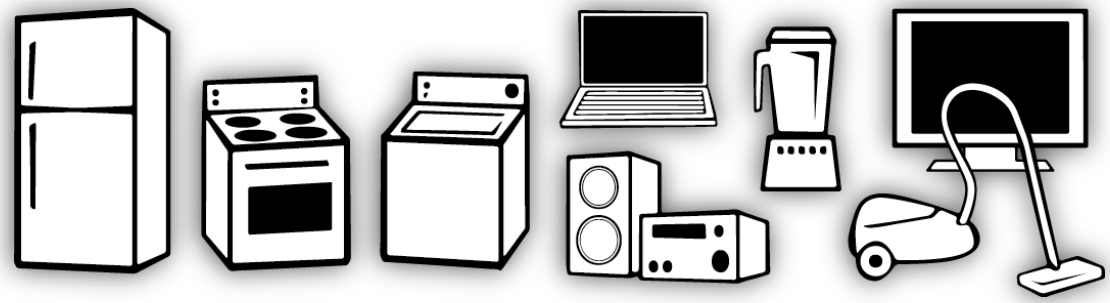
E-Waste – Sustainable Growth…

- One of India's largest integrated E-Waste recycling facility at Narsapura, spread across 12 acres of land with built up area of more than 40,000 sq. ft.
- Capacity of 96,000 Tons per annum; obtained necessary consent from Karnataka State Pollution Control Board
- Recycling & Refurbishment is progressing well
- Agreements with many customers including MNC's across India for collecting E-Waste
- Precious Metals refining plant to be set up soon
- Collection centers now at Ahmedabad, Chennai, Hyderabad, Mumbai, Nashik, New Delhi, Pune, Surat, Vadodara, Vijayawada and Vishakapatnam
- **Awarded IMS Certificate ISO9001:2015, ISO 14001:2015, ISO 18001:2007 and RESPONSIBLE RECYCLING©:2013**
  - ✓ **Scope:** E-waste Collection, Dismantling, Segregation, Recycling, Refurbishing & Data Protection activities of Waste Electrical & Electronic Equipments

Video Link

…Construction of Second Building – Recycling White Goods

- Commenced construction of second factory building measuring 50,000 sq. ft.
  - ✓ State of the art
  - ✓ Fully automated and Ultra modern
  - ✓ Pollution free
- This new facility shall be ready and fully operational by December 2018
- Capable of handling all white goods including refrigerators, washing machines, air-conditioners
- Under the EPR rules every manufacturer has to collect a certain percentage of E-Waste and handover to a licensed recycler
- Established own collection centers for collection of E-Waste and appointed around 3000 third party collection centers across the country
- Coming out with a app and website where in consumers can log in, upload photos of the refrigerator or washing machine or any other equipments and can be valued it online
- Customers will be able to log in and see how many tons are collected on their behalf to fulfill their EPR targets



Our Key Offerings for E-Waste

Repair, Refurbishment and Reuse of all electronic and electrical equipments

Salvaging of components and ***Selling*** it back to the manufacturer's concerned

Fully integrated ***E-Waste Management*** and Base-metal Recycling

PGM ***Recovery*** and its ***Refining*** processes

Waste Management at ***Source***

Total support in ***Scrap Handling***, ***Collection***, ***Transport***, ***Documentation***, ***Shipping*** and other related areas

100% recycling of all collected E-Waste, with zero use of landfills

Integrated ***EHS System*** (ISO & OHSAS Standard)

Web-based ***Trading***, ***Services*** & ***Accessibility***

Logistics and ***Warehousing*** Facilities present worldwide

Providing ***Technical Advice*** on Plant Layout

Commissioning of ***Day-to-Day*** operations

Training of technical personnel

Providing ***Market*** Support

Various Awareness Campaigns Across Country

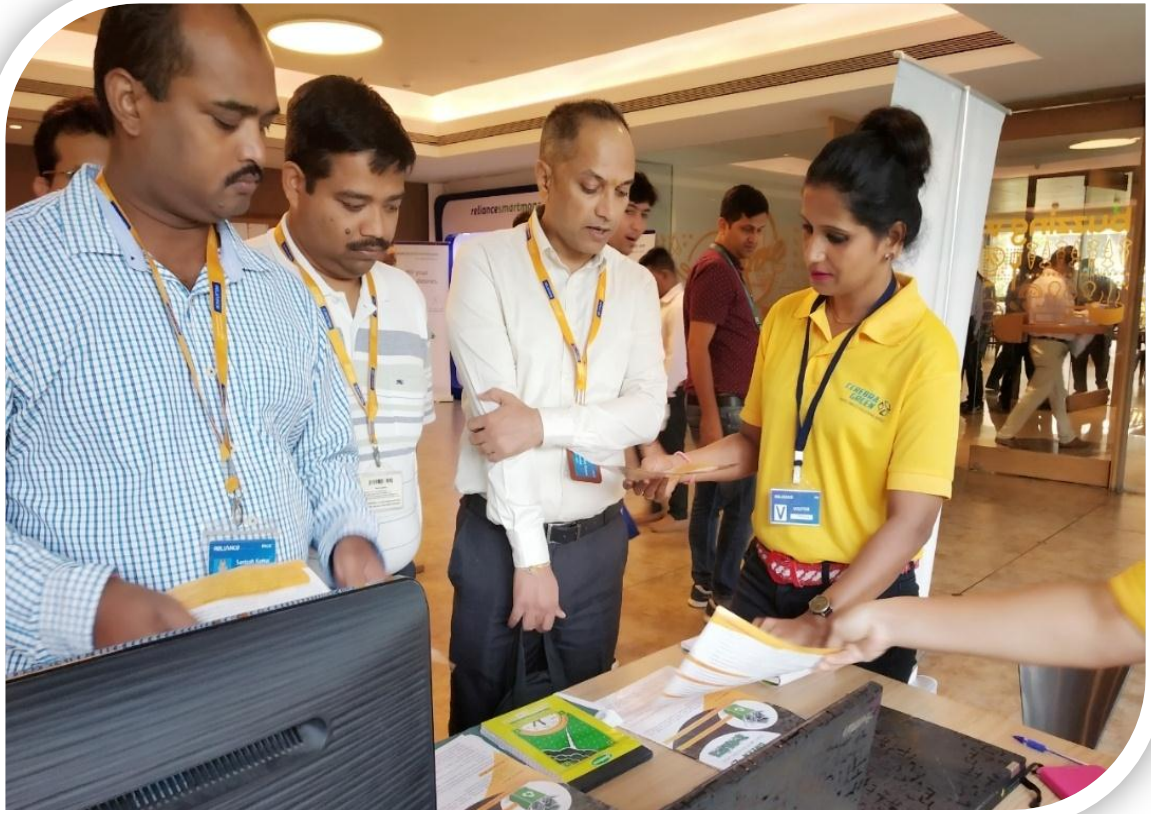
Chennai

Pune

Bangalore

Mumbai

Clean up Week – October 2018



In Partnership With :

MAIT

Ministry of Electronics & Information Technology
Government of India

Nature Protects if She is Protected

Digital India
Power To Empower

Recovered 11 metric tonnes of E-Waste across seven cities

Experienced Team

Mr. V. Ranganathan

MD

Electrical & Electronics Engineer, ~29 years of experience in manufacturing & trading of computers and electronic products. Leading the marketing initiatives at Cerebra

Mr. Asit Ahuja

CEO, Cerebra ME

Founder Director Cerebra Middle East FZCO. Responsible for day to day operations

Mr. Shridhar S Hegde,

ED & CFO

Law graduate, ~ 35 years of experience in industry. Responsible for the entire financial aspects of Company

Mr. Phalguna Jois

CEO, ES Division

~25+ extensive experience in manufacturing, IT distribution and business development. Instrumental in building team & strategic alliances

Mr. P. Bharath

COO

Civil Engineer, Responsible for setting up the factory at Peenya.Leading production activities at SMT Division, EMS Division, and E-waste Recycling Plant

Mr. Anil Bhavnani

Head-Strategy & Alliances (E-Waste Recycling)

~30 years experience in conceptualizing and establishing successful businesses. Responsible for strategy and alliances

Mr. P. Vishwamurthy

ED

Mechanical Engineer, ~ 26 years of experience in industry. Resource management, client relationships and engagements

Hardware & IT Services – Solid Foundation

Advantage CEREBRA

Pioneer	• Pioneer in hardware manufacturing with strong skill sets in repair & refurbish
Strategically Located	• Bengaluru : Around 1,500 Software & BPO companies • Chennai: Manufacturing hub for Electronics & Automobiles
Strong Alliance	• Strong vendor alliances and partnerships with IBM, Dell, HP, Oracle etc
Strong Dealer Network	• Extensive dealer network already in place due to existing line of business

Hardware & IT Services – Solid Foundation

Leading hardware manufacturing company …

- Design & manufacture motherboards, memory modules, servers, workstations etc
- Commenced operations in 1992 in Bangalore
- Manufacturing facility in Peenya, Bangalore
- Reputed diversified clientele across industry
- Nationwide presence with over 100 channel partners for distribution

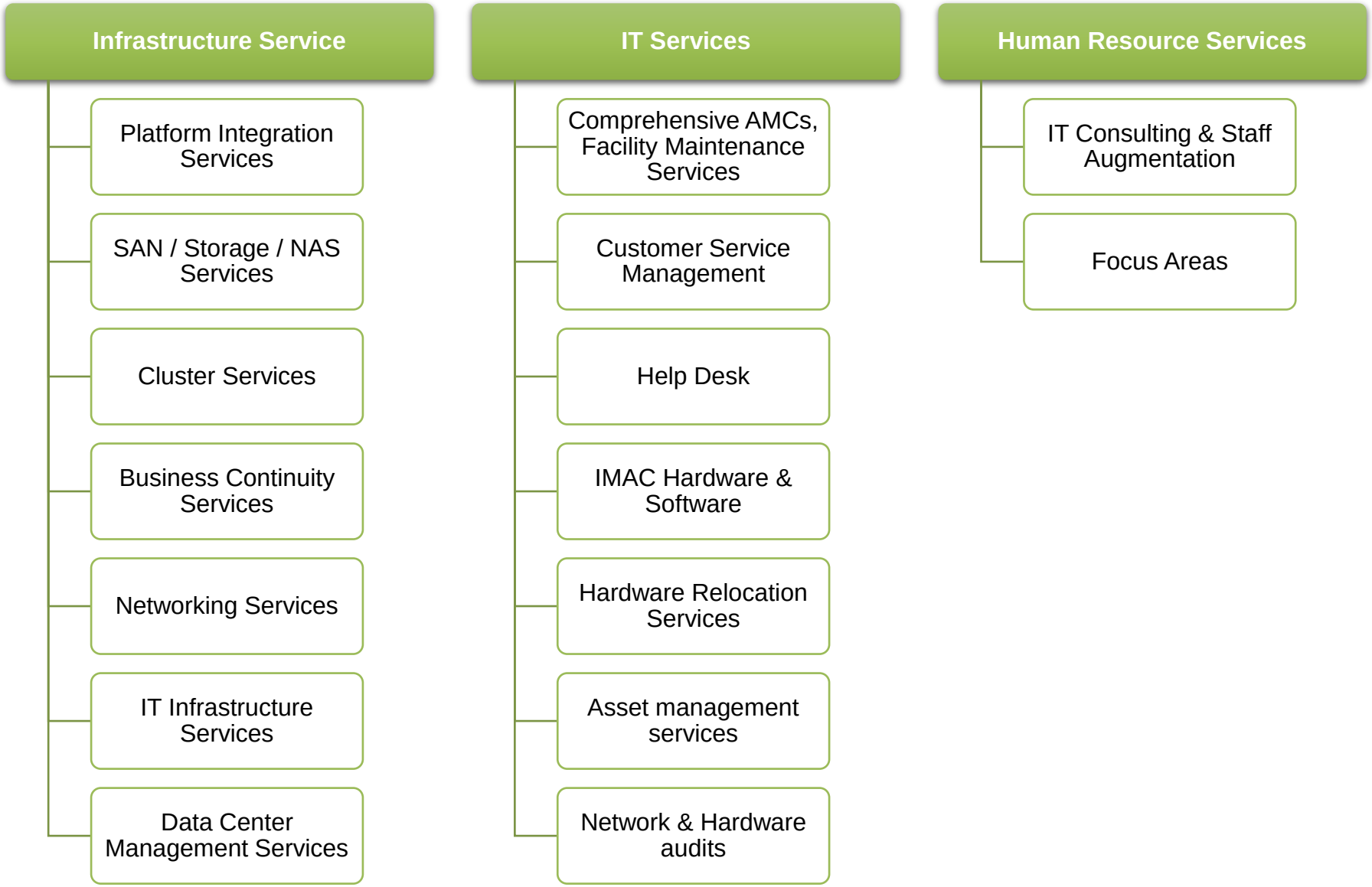
… Niche expertise in IT Services in India & Middle East

- Offer business process outsourcing solutions by leveraging process, domain and people management expertise
- Expertise in Banking, Insurance, Finance & Accounting, HR Services, Healthcare and Legal Services
- Cerebra Middle East: Niche IT Distribution house offering Data Centre, Security Surveillance and IT Infrastructure management solutions to the Middle East

Hardware Space in India

	Electronic Manufacturing Service (EMS)	Enterprise Solutions Division (ESD) & Infrastructure Management
Key Offering	Manufactures populated PCBs such as motherboards, memory modules, graphic cards	Networking, servers, storage, endpoints, operating systems, application software
Capacity	Handles - 14000 / 28000 CPH	Skilled manpower to provide solutions
Projects/Services by Cerebra	Providing Hardware Solutions & IT Services	Automated Driving Test System (ADTS) from Transport department
		Personalised Security Surveillance services (value added distributor for UAE region)
		Personalised storage servers

IT Services – Expansive Portfolio in India



Cerebra Middle East

Niche IT Distribution house offering Data Centre & IT Infrastructure management solutions

Service Offerings

Security Surveillance Solutions

- CCTV
- VMS
- NVR
- Storage
- Access Control
- Video Walls

Information & Communication Technology

- Data Centre Solutions
- Business Continuity
- Data Protection
- Cloud Solutions
- Disaster Recovery
- Enterprise Mobility
- Storage Virtualization
- E-Waste Recycling

Strategic Alliances – Major Global Brands

Servicing prestigious clients across industry segments

CEREBRA GREEN
YOUR E-WASTE SOLUTIONS EXPERT

Banks

- Reserve Bank of India
- Bank of India — Relationship beyond banking
- Allahabad Bank
- Union Bank of India
- UCO Bank
- Deutsche Bank
- ING Vysya Bank

PSUs

- ECIL — Electronics Corporation of India Limited — A Govt. of India (Dept. of Atomic Energy) Enterprise
- BHEL
- National Aerospace Laboratories
- Bharat Electronics
- BEML — New Frontiers. New Dreams
- Airports Authority of India
- HAL
- CMC Limited — Your IT Partner
- ITI

Govt. Agencies

- Government of India, Department of Atomic Energy, Indira Gandhi Centre for Atomic Research
- Indian Railways
- India Post
- BSNL — Connecting India
- CDAC
- ONGC
- CPWD
- High Court of Karnataka

Other Major Clients

- Thermax
- IIMB — तेजस्वि नावधीतमस्तु
- L&T
- Himalaya — Wellness Since 1930
- Sasken
- Avaya
- Pidilite
- VXL Instruments
- Trent
- Accelfrontline — Global IT Services
- Siemens
- Lucent Technologies — Bell Labs Innovations
- Crompton Greaves — Everyday Solutions
- KSSIDC

ISO 14001: 2015
Certified by IRQS

NABCB
EM 005

ISO 9001:2015
Certified by IRQS

NABCB
QM 006

NABCB
OHSMS 007

LET'S CONNECT

CEREBRA
Total I.T. Solutions
An ISO 9001 : 2015 Company

Mr. P. Vishwamurthy
vishwa@cerebracomputers.com
S5 Off 3rd Cross 1st Stage Peenya
Industrial Area Bangalore – 560 058

"Responsibility towards safety of our environment"

For more information visit:
www.cerebracomputers.com

STELLAR
INVESTOR RELATIONS

Mr. Abhishek Bhatt / Mr. Gaurang Chotalia
abhishek@stellar-ir.com / gaurang.chotalia@stellar-ir.com
Kanakia Wall Street, Andheri (East), Mumbai 400 065